



Reprinted
January 31, 2006

SENATE BILL No. 345

DIGEST OF SB 345 (Updated January 30, 2006 4:13 pm - DI 44)

Citations Affected: IC 6-1.1; noncode.

Synopsis: Reversal of payment delays. Requires the reversal of part of the payment delays in the schedule under which: (1) property tax replacement credit and homestead credit amounts are distributed to taxing units; and (2) distributions to state educational institutions are made. Makes an appropriation.

Effective: July 1, 2006; January 1, 2007.

Meeks, Simpson, Hume, Miller

January 10, 2006, read first time and referred to Senate Committee on Appropriations.
January 26, 2006, amended, reported favorably — Do Pass.
January 30, 2006, read second time, amended, ordered engrossed.

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Reprinted
January 31, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

SENATE BILL No. 345

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-21-10 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) There is
3 established a property tax replacement fund board to consist of the
4 commissioner of the department, the commissioner of the department
5 of local government finance, the director of the budget agency, and two
6 (2) ex officio nonvoting representatives of the general assembly of the
7 state of Indiana. The speaker of the house of representatives shall
8 appoint one (1) member of the house as one (1) of the ex officio
9 nonvoting representatives, and the president pro tempore of the senate
10 shall appoint one (1) senator as the other ex officio nonvoting
11 representative, each to serve at the will of the appointing officer. The
12 commissioner of the department shall be the chairman of the board, and
13 the director of the budget agency shall be the secretary of the board.
14 (b) Except as provided in section 10.5 of this chapter, the schedule
15 to be used in making distributions to county treasurers during the
16 periods set forth in section 4(b) of this chapter is as follows:
17 January 0.00%

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1	February	0.00%
2	March	16.70%
3	April	16.70%
4	May	0.00% 6.20%
5	June	0.00%
6	July	16.60% 10.40%
7	August	0.00%
8	September	16.70%
9	October	16.70%
10	November	16.60%
11	December	0.00%

12 The board may authorize the department to distribute the estimated
13 distributions to counties earlier than what is required under section 4(b)
14 of this chapter.

15 (c) The board is also authorized to transfer funds from the property
16 tax replacement fund for the purpose of providing financial aid to
17 school corporations as provided in IC 21-3.

18 **SECTION 2. [EFFECTIVE JULY 1, 2006] (a) The purpose of this**
19 **SECTION is to reduce accrued payment delay balances that were**
20 **created because of the amendment to IC 6-1.1-21-10 made by**
21 **P.L.192-2002(ss), SECTION 43, to move the May distribution to**
22 **July beginning with the May 2003 distribution and a continuation**
23 **of the practice of delayed payments in subsequent years.**

24 (b) There is appropriated to the property tax replacement board
25 one hundred thirty-six million five hundred thousand dollars
26 (\$136,500,000) from the state general fund and the property tax
27 replacement fund, in the percentage determined by the budget
28 agency, for its use to distribute the amount of the increase in the
29 May 2007 distribution required under IC 6-1.1-21-10, as amended
30 by this act, beginning July 1, 2006, and ending June 30, 2007.

31 (c) A distribution described in subsection (b) raises the
32 maximum permissible distribution for property tax replacement
33 credits and homestead credits that may be made in the state fiscal
34 year beginning July 1, 2006, and ending June 30, 2007, by the
35 amount of the distribution.

36 (d) A distribution described in subsection (b) shall be treated as
37 a distribution under IC 6-1.1-21 for the calendar year in which the
38 distribution is made. An early additional distribution described in
39 subsection (b) reduces the amount of the distribution that would
40 otherwise have been made in July 2007 under IC 6-1.1-21-10, as
41 effective before the amendment made by this act, by the amount of
42 the additional distribution.



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SECTION 3. [EFFECTIVE JULY 1, 2006] (a) The purpose of this SECTION is to reduce accrued payment delay balances to state educational institutions and IHETS that were created because of the distribution of eleven-twelfths (11/12) of the budgeted amount in the state fiscal year ending June 30, 2002, and a continuation of the practice of delayed payments in subsequent state fiscal years through the state fiscal year ending June 30, 2005.

(b) The following definitions apply throughout this SECTION:

(1) "IHETS" refers to the Indiana Higher Education Telecommunications System.

(2) "State educational institution" has the meaning set forth in IC 20-12-0.5-1.

(c) There is appropriated to the budget agency forty million dollars (\$40,000,000) from the state general fund for its use for general repair and rehabilitation or repair and rehabilitation of dormitories or other student housing of state educational institutions, beginning July 1, 2006, and ending June 30, 2007, as follows:

INDIANA UNIVERSITY - TOTAL SYSTEM	\$15,667,060
PURDUE UNIVERSITY - TOTAL SYSTEM	10,795,022
INDIANA STATE UNIVERSITY	2,399,680
UNIVERSITY OF SOUTHERN INDIANA	1,225,670
BALL STATE UNIVERSITY	4,077,062
VINCENNES UNIVERSITY	1,190,030
IVY TECH COMMUNITY COLLEGE OF INDIANA	<u>4,645,476</u>
	\$40,000,000

(d) Notwithstanding P.L.246-2005, SECTION 32, after review by the budget committee, the budget agency shall distribute to a state educational institution after June 30, 2006, and before July 1, 2007, the amount appropriated to the state educational institution under subsection (c). The distributions under subsection (c):

(1) may be made in one (1) or more installments after June 30, 2006, and before July 1, 2007, on the schedule determined by the budget agency after review of the schedule by the budget committee; and

(2) shall be separately allotted.

(e) An appropriation under subsection (c) is in addition to the appropriations for general repair and rehabilitation made in P.L.246-2005, SECTION 32, or any other law. Notwithstanding any other law, an appropriation under subsection (c) does not revert to the general fund under IC 4-13-2-19.

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1 (f) The amount appropriated under subsection (c), when
2 distributed to a state educational institution, shall be treated as
3 reducing any claim that the total system of the state educational
4 institution has to one-twelfth (1/12) of the amount budgeted for the
5 state educational institution in all line items in HEA 1001-2003,
6 SECTION 9, for the state fiscal year ending June 30, 2005. Subject
7 to subsection (g), the amount of the claim reduction for each
8 institution is equal to the amount distributed to the state
9 educational institution. The amount of the claim reduction for the
10 entire system and the amount apportioned for each institution
11 individually shall be computed by the budget agency. The budget
12 agency makes the final determination.

13 (g) An amount appropriated under subsection (c), when
14 distributed to Indiana University, shall be treated as reducing any
15 claim that IHETS has to one-twelfth (1/12) of the amount budgeted
16 for the IHETS in all line items in HEA 1001-2003, SECTION 9, for
17 the state fiscal year ending June 30, 2005. The amount of the claim
18 reduction is a part of the amount distributed to Indiana
19 University-Total System apportioned as determined by the budget
20 agency.

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SENATE MOTION

Madam President: I move that Senators Simpson and Hume be added as coauthors of Senate Bill 345.

MEEKS

SENATE MOTION

Madam President: I move that Senator Miller be added as coauthor of Senate Bill 345.

MEEKS

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 345, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 3, delete "16.70% 19.60%" and insert "16.70%".

Page 2, line 4, strike "0.00%" and insert "**6.20%**".

Page 2, line 6, delete "13.70%" and insert "**10.40%**".

Page 2, delete lines 18 through 19.

Page 2, line 27, delete "sixty-five" and insert "**one hundred thirty-six**".

Page 2, line 27, after "million" insert "**five hundred thousand**".

Page 2, line 27, delete "(\$65,000,000)" and insert "**(\$136,500,000)**".

Page 2, line 30, delete "April" and insert "**May**".

Page 2, delete lines 33 through 42.

Page 3, delete lines 1 through 7.

Page 3, line 8, delete "(d)" and insert "**(c)**".

Page 3, line 8, delete "or (c)".

Page 3, line 11, delete "2007," and insert "**2006,**".

Page 3, line 11, delete "2008," and insert "**2007,**".

Page 3, line 13, delete "(e)" and insert "**(d)**".

Page 3, line 13, delete "or (c)".

Page 3, line 15, delete ":".

Page 3, line 16, delete "(1)".

Page 3, run in lines 15 through 16.

Page 3, line 20, delete "; and" and insert ".".

Page 3, delete lines 21 through 42.

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Page 4, delete lines 1 through 35.

Page 4, line 37, delete ":".

Page 4, line 38, delete "(1)".

Page 4, run in lines 37 through 38.

Page 5, line 2, delete "; and" and insert ".".

Page 5, delete lines 3 through 4.

Page 5, line 10, delete "twenty" and insert **"forty"**.

Page 5, line 11, delete "(\$20,000,000)" and insert **"(\$40,000,000)"**.

Page 5, line 12, after "rehabilitation" insert **"or repair and rehabilitation of dormitories or other student housing"**.

Page 5, delete lines 14 through 22, begin a new line block indented and insert:

"INDIANA UNIVERSITY - TOTAL SYSTEM	\$15,667,060
PURDUE UNIVERSITY - TOTAL SYSTEM	10,795,022
INDIANA STATE UNIVERSITY	2,399,680
UNIVERSITY OF SOUTHERN INDIANA	1,225,670
BALL STATE UNIVERSITY	4,077,062
VINCENNES UNIVERSITY	1, 190,030
IVY TECH COMMUNITY COLLEGE	
OF INDIANA	<u>4,645,476</u>
	\$40,000,000".

Page 5, line 30, delete ";" and insert **"after review of the schedule by the budget committee;"**.

Page 5, delete lines 32 through 42.

Page 6, delete lines 1 through 8.

Page 6, line 9, delete "(f)" and insert **"(e)"**.

Page 6, line 9, delete "or (e)".

Page 6, line 12, delete "or (e)".

Page 6, line 14, delete "(g)" and insert **"(f)"**.

Page 6, line 14, delete "(c) or (e)," and insert **"(c),"**.

Page 6, line 20, delete "(h)," and insert **"(g),"**.

Page 6, line 26, delete "(h)" and insert **"(g)"**.

Page 6, line 26, delete "(c) or (e)," and insert **"(c),"**.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 345 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 9, Nays 0.

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SENATE MOTION

Madam President: I move that Senate Bill 345 be amended to read as follows:

Page 2, line 3, reset in roman "16.70%".

Page 2, line 3, delete "19.60%".

(Reference is to SB 345 as printed January 27, 2006.)

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